

Caution: DRAFT FORM

This is an advance proof copy of an IRS tax form. It is subject to change and OMB approval before it is officially released. You can check the scheduled release date on our web site (www.irs.gov).

If you have any comments on this draft form, you can submit them to us on our web site. Include the word DRAFT in your response. You may make comments anonymously, or you may include your name and e-mail address or phone number. We will be unable to respond to all comments due to the high volume we receive. However, we will carefully consider each suggestion. So that we can properly consider your comments, please send them to us within 30 days from the date the draft was posted.

Investment Interest Expense Deduction

► Attach to your tax return.

OMB No. 1545-0191

2006

Attachment
 Sequence No. **51**

Name(s) shown on return

Identifying number

Part I Total Investment Interest Expense

1	Investment interest expense paid or accrued in 2006 (see instructions)	1		
2	Disallowed investment interest expense from 2005 Form 4952, line 7	2		
3	Total investment interest expense. Add lines 1 and 2	3		

Part II Net Investment Income

4a	Gross income from property held for investment (excluding any net gain from the disposition of property held for investment)	4a			
4b	Qualified dividends included on line 4a	4b			
c	Subtract line 4b from line 4a	4c			
d	Net gain from the disposition of property held for investment	4d			
e	Enter the smaller of line 4d or your net capital gain from the disposition of property held for investment (see instructions)	4e			
f	Subtract line 4e from line 4d	4f			
g	Enter the amount from lines 4b and 4e that you elect to include in investment income (see instructions)	4g			
h	Investment income. Add lines 4c, 4f, and 4g	4h			
5	Investment expenses (see instructions)	5			
6	Net investment income. Subtract line 5 from line 4h. If zero or less, enter -0-	6			

Part III Investment Interest Expense Deduction

7	Disallowed investment interest expense to be carried forward to 2007. Subtract line 6 from line 3. If zero or less, enter -0-	7		
8	Investment interest expense deduction. Enter the smaller of line 3 or 6. See instructions.	8		